

# Financial Statements

## Shadowgrade Developments Limited

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For the 18 month Period Ended 31 December 2016



**Registered number: 02223106**

## Shadowgrade Developments Limited

# Company Information

<b>Directors</b>	Mr C Higgins Mr S Hamilton Mr M Winn (resigned 2 June 2017)
<b>Company secretary</b>	Mr C Higgins
<b>Registered number</b>	02223106
<b>Registered office</b>	Wraysbury Hall Ferry Lane Staines Middlesex TW19 6HG
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road Winnersh Wokingham Berkshire RG41 5TS

**Shadowgrade Developments Limited**

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## **Directors' Report**

**For the Period Ended 31 December 2016**

The Directors present their report and the financial statements for the period ended 31 December 2016.

The financial year end of the Company was changed from 30 June to 31 December. Accordingly, the comparative figures for the statement of financial position, statement of changes in equity and the related notes are for the twelve months from 1 July 2014 to 30 June 2015.

### **Principal activity**

The company's principal activity is the letting of rental properties for short term and extended stay accommodation.

### **Directors**

The Directors who served during the period were:

Mr C Higgins

Mr S Hamilton

Mr M Winn (resigned 2 June 2017)

### **Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

## **Directors' Report (continued)**

**For the Period Ended 31 December 2016**

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### **Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**Mr C Higgins**  
Director

Date: 26 September 2017

## Independent Auditor's Report to the Members of Shadowgrade Developments Limited

We have audited the financial statements of Shadowgrade Developments Limited for the period ended 31 December 2016, which comprise the Statement of financial position, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Independent Auditor's Report to the Members of Shadowgrade Developments Limited (continued)

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the directors' report.

*Grant Thornton UK LLP*

Andy Ka BA FCA  
Senior statutory auditor  
for and on behalf of  
Grant Thornton UK LLP  
Chartered Accountants  
Statutory Auditor  
Reading

Date: *27 September 2017*

# Statement of Financial Position

As at 31 December 2016

	Note	31 December 2016 £	30 June 2015 £
<b>Fixed assets</b>			
Tangible assets	4	22,162,670	22,167,813
		<u>22,162,670</u>	<u>22,167,813</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	2,394,409	2,207,457
Cash at bank and in hand	6	386,703	1,324,235
		<u>2,781,112</u>	<u>3,531,692</u>
Creditors: amounts falling due within one year	7	(14,086,483)	(14,446,802)
<b>Net current liabilities</b>		<u>(11,305,371)</u>	<u>(10,915,110)</u>
<b>Total assets less current liabilities</b>		<u>10,857,299</u>	<u>11,252,703</u>
<b>Provisions for liabilities</b>			
Deferred tax	8	(916,922)	(1,167,224)
		<u>(916,922)</u>	<u>(1,167,224)</u>
<b>Net assets</b>		<u><u>9,940,377</u></u>	<u><u>10,085,479</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Revaluation reserve		8,279,305	8,105,932
Profit and loss account		1,660,072	1,978,547
		<u><u>9,940,377</u></u>	<u><u>10,085,479</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

*S. Hamilton*  
Mr S Hamilton  
Director  
Date: 26 September 2017

*C. Higgins*  
Mr C Higgins  
Director

The notes on pages 7 to 16 form part of these financial statements.

## Statement of Changes in Equity

For the 18 month Period Ended 31 December 2016

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	1,000	8,105,932	1,978,547	10,085,479
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(318,475)	(318,475)
Impairment adjustment - freehold property	-	(76,929)	-	(76,929)
Deferred tax movement on surplus on revaluation of freehold property	-	250,302	-	250,302
<b>Total comprehensive income for the period</b>	-	173,373	(318,475)	(145,102)
<b>At 31 December 2016</b>	<b>1,000</b>	<b>8,279,305</b>	<b>1,660,072</b>	<b>9,940,377</b>

## Statement of Changes in Equity

For the Period Ended 30 June 2015

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2014	1,000	7,023,586	1,819,352	8,843,938
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	159,195	159,195
Surplus on revaluation of freehold property	-	1,587,630	-	1,587,630
Deferred tax movement on surplus on revaluation of freehold property	-	(505,284)	-	(505,284)
<b>Total comprehensive income for the year</b>	-	1,082,346	159,195	1,241,541
<b>At 30 June 2015</b>	<b>1,000</b>	<b>8,105,932</b>	<b>1,978,547</b>	<b>10,085,479</b>

The notes on pages 7 to 16 form part of these financial statements.

# Notes to the Financial Statements

For the Period Ended 31 December 2016

## **1. General information**

Shadowgrade Developments Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Wraysbury Hall, Ferry Lane, Staines, Middlesex, TW19 6HG.

## **2. Accounting policies**

### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

### **2.2 Going concern**

The company finances its freehold property portfolio through bank mortgages. At the balance sheet date, mortgages of £13,000,000 (2015: £13,000,000) (net of capitalised arrangement fees of £Nil (2015: Nil)) were classified as creditors falling due within one year pending renewal of arrangements with the company's lender. At the date of approving these financial statements, the company has since settled £4.27m of the debt, and agreed heads of terms for a facility of £8.73m with its lender.

In view of the above and taking into account the future plans for the business the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **2.3 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents income arising from providing fully self contained apartments for the short term letting market and is recorded on an accruals basis. Income is accrued for lettings provided by the accounting date but not invoiced. Where an obligation remains at the accounting date to provide future services, that element of invoiced amounts is deferred.

## Notes to the Financial Statements

For the Period Ended 31 December 2016

### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	20%
Fixtures & fittings	-	20%
Office equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

#### 2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

#### 2.6 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

# Notes to the Financial Statements

For the Period Ended 31 December 2016

## 2. Accounting policies (continued)

### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

### 2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## **Notes to the Financial Statements**

**For the Period Ended 31 December 2016**

### **2. Accounting policies (continued)**

#### **2.11 Foreign currency translation**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

#### **2.12 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **2.13 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### **2.14 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

#### **2.15 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

## Notes to the Financial Statements

For the Period Ended 31 December 2016

### 2. Accounting policies (continued)

#### 2.16 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

#### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

#### 2.18 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 3. Employees

The average monthly number of employees, including directors, during the period was 33 (2015 - 42).

## Notes to the Financial Statements

For the Period Ended 31 December 2016

**4. Tangible fixed assets**

	Freehold property £	Motor vehicles £	Fixtures & fittings £	Equipment £	Total £
<b>Cost or valuation</b>					
At 1 July 2015	22,100,000	15,487	1,520,933	449,028	24,085,448
Additions	76,929	-	82,306	14,415	173,650
At 31 December 2016	<u>22,176,929</u>	<u>15,487</u>	<u>1,603,239</u>	<u>463,443</u>	<u>24,259,098</u>
<b>Depreciation</b>					
At 1 July 2015	-	15,487	1,468,593	433,555	1,917,635
Charge for the period on owned assets	-	-	97,517	4,347	101,864
Impairment charge	76,929	-	-	-	76,929
At 31 December 2016	<u>76,929</u>	<u>15,487</u>	<u>1,566,110</u>	<u>437,902</u>	<u>2,096,428</u>
<b>Net book value</b>					
At 31 December 2016	<u>22,100,000</u>	<u>-</u>	<u>37,129</u>	<u>25,541</u>	<u>22,162,670</u>
At 30 June 2015	<u>22,100,000</u>	<u>-</u>	<u>52,340</u>	<u>15,473</u>	<u>22,167,813</u>

The properties were valued on 23 September 2014 by Vail Williams LLP, external Chartered Surveyors. The directors are of the opinion that there was no material movement between the latest valuation and the opening carrying book value and the movement has been processed in the financial statements against the revaluation surplus through other comprehensive income. There has been no effect on depreciation as no depreciation is provided on this class of asset.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention of £12,903,410 (2015: £12,826,481). The accumulated depreciation of £nil is equal to the accumulated depreciation of £nil that would have been provided on a historical cost basis.

# Notes to the Financial Statements

For the Period Ended 31 December 2016

## 5. Debtors

	31 December 2016 £	30 June 2015 £
Trade debtors	1,182,444	724,125
Amounts owed by group undertakings	1,038,286	1,187,612
Other debtors	173,679	295,720
	<u>2,394,409</u>	<u>2,207,457</u>

## 6. Cash and cash equivalents

	31 December 2016 £	30 June 2015 £
Cash at bank and in hand	386,703	1,324,235
	<u>386,703</u>	<u>1,324,235</u>

## 7. Creditors: Amounts falling due within one year

	31 December 2016 £	30 June 2015 £
Bank mortgages	13,000,000	13,000,000
Trade creditors	422,397	526,292
Corporation tax	-	40,531
Other taxation and social security	138,812	235,844
Accruals and deferred income	525,274	644,135
	<u>14,086,483</u>	<u>14,446,802</u>

The bank mortgages are secured against the company's freehold property.

## Notes to the Financial Statements

For the Period Ended 31 December 2016

**8. Deferred taxation**

	31 December 2016 £	30 June 2015 £
At beginning of year	(1,167,224)	(661,940)
Charged to other comprehensive income	250,302	(505,284)
<b>At end of year</b>	<b>(916,922)</b>	<b>(1,167,224)</b>

The provision for deferred taxation is made up as follows:

	31 December 2016 £	30 June 2015 £
Property revaluations	(916,922)	(1,167,224)
	<b>(916,922)</b>	<b>(1,167,224)</b>

No deferred tax asset has been recognised for the tax losses available for offset against future taxable profits. The total deferred tax asset not yet recognised is £13,958 (2015: £Nil). No deferred tax asset has been recognised for the effect of decelerated capital allowances.

Following the Summer 2016 Finance Bill there will be a reduction in the main rate of corporation tax and from 1 April 2017 the rate will reduce to 19% and to 18% from 1 April 2020. Finance Act 2016 received Royal Assent on 15 September 2016 which further reduces the corporation tax rate in the UK from 18% to 17% for the period commencing from 1 April 2020. Deferred tax has been calculated based on tax rates and laws enacted or substantially enacted at the Statement of Financial Position date.

**9. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £8,470 (2015: £1,722). Contributions totalling £741 (2015: £1,032) were payable to the fund at the reporting date.

## Notes to the Financial Statements

For the Period Ended 31 December 2016

### 10. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	31 December 2016 £	30 June 2015 £
Within 1 year	1,706,509	1,577,499
Between 1 and 5 years	459,925	911,779
	<u>2,166,434</u>	<u>2,489,278</u>

### 11. Post balance sheet events

The company disposed of one of its freehold properties in July 2017. The sale generated a profit of £742,584 and the company settled £4.27m of the bank mortgage. At the date of approving these financial statements the company has agreed a facility of £8.73 m with its lender.

### 12. Controlling party

Osprey Investments Limited, a company incorporated in Guernsey, is the company's controlling related party by virtue of its 100% shareholding in the company. The ultimate controlling party of the company is Mr David Winn.

# Notes to the Financial Statements

For the Period Ended 31 December 2016

## 13. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 July 2014. The impact of the transition to FRS 102 is as follows:

### Reconciliation of equity at 1 July 2014

	Note	£
Equity at 1 July 2014 under previous UK GAAP		9,505,877
Recognition of deferred tax liability on revalued amounts	1	(661,940)
<b>Equity shareholders funds at 1 July 2014 under FRS 102</b>		<b>8,843,937</b>

### Reconciliation of equity at 30 June 2015

	Note	£
Equity at 30 June 2015 under previous UK GAAP		11,252,702
Recognition of deferred tax liability movement on revalued amounts	1	(1,167,223)
<b>Equity shareholders funds at 30 June 2015 under FRS 102</b>		<b>10,085,479</b>

### Reconciliation of profit and loss account for the year ended 30 June 2015

	£
Profit for the year under previous UK GAAP	159,915
<b>Profit for the period ended 30 June 2015 under FRS 102</b>	<b>159,915</b>

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 FRS102 requires deferred tax to be provided on revaluations. As a such deferred tax liability has been included based on the appropriate tax rate and the revaluation gains calculated.